REMARKS

As a preliminary matter, Applicants thank the Examiner for the acknowledgement of allowable subject matter in claims 2-3 and 6-7.

As a second preliminary matter, the Title of the Invention has been amended as requested by the Examiner. Entry of the new Title is respectfully requested.

Claim 5 stands rejected under 35 U.S.C. 102(e) as being anticipated by Yuasa et al. (U.S. 6,914,757). Applicants respectfully traverse this rejection because the cited reference does not disclose (or suggest) that a domain controlling film is both adjacent to, and contact a smaller electrode layer of a magnetoresistive element, as in claim 5 of the present invention, and amended.

Applicants appreciate the Examiner's note that he is interpreting the term "adjacent" in claim 5 broadly enough to encompass any other element that is merely "near" the other adjacent element. Accordingly, claim 5 of the present invention has been amended herein to better clarify that the domain controlling film is not only disposed adjacent to the smaller electrode layer, but also that it is contacting the smaller electrode layer as well. As cited by the Examiner, Fig. 8 of Yuasa clearly shows that the biasing films 30 are located at the outer boundaries of the entire layer structure of the MR film 13. (See also Fig. 7). Yuasa additionally shows that the smaller electrode 14 is entirely contained within the boundaries of the MR film 13, and cannot contact any element, such as the biasing films 30, that is entirely outside the boundaries of the MR film. Accordingly, by this amendment, Applicants submit that the rejection of claim 5 based on Yuasa has been overcome.

Claims 1, 4, and 8-12 stand rejected under 35 U.S.C. 103(a) as unpatentable over Yuasa, and further in view of the Examiner's Official Notice that "utilizing different biasing films for biasing the free layer of an MR film" is well known in the art. Applicants respectfully traverse this rejection because it does not take into consideration the features of independent claims 1 and 8 that recite, among other things, that the domain controlling film is disposed between the free magnetic layer and the primary electrode layer.

As discussed above with respect to claim 5, the biasing films 30 of Yuasa are shown to be disposed entirely outside of the boundaries of the layered structure of the MR element, and there is no teaching, suggestion, or illustration to locate either film 30 between the free magnetic layer and the primary electrode layer. The biasing films 30 are therefore not analogous to the domain controlling film of the present invention, which is shown throughout the Specification and drawings to be disposed along side (adjacent) the smaller electrode layer, and as recited in claims 1 and 8, to also be between the free magnetic layer and the primary electrode layer (as is also the smaller electrode layer). Yuasa simply does not show any similar structural location for the biasing films 30, and accordingly, the reference cannot read upon the present invention.

Applicants recognize that the Examiner may be misreading the language of independent claims 1 and 8 to interpret the phrase "said free magnetic layer and said primary/first electrode layer" to be a redundant modification of the term "said smaller electrode layer," and not the term "domain controlling film." Accordingly, in the interests of expediting prosecution, Applicants have further amended the modifying language to the domain controlling film element of claims 1 and 8 to add punctuation that will exclude any

incorrect interpretation of the modifying language. Accordingly, Applicants submit that claims 1 and 8 can only be interpreted to read as having the domain controlling film disposed between the free magnetic layer and the primary/first electrode layer respectively.

With respect to the Examiner's request for Applicants to comment on the other pertinent art to the present Application, namely, the Ikeda and Asida references, Applicants submit that detailed comments are not necessary to exclude these references from consideration. Applicants note that both of these references are assigned to the same "Fujitsu Limited" as is the present Application. According to the filing dates of both references, they could individually only qualify as prior art against the present Application under Section 102(e). Neither reference appears to teach all of the features recited in the claims of the present Application, and therefore Applicants submit that these references could only be potentially cited (if at all) against the present Application in a Section 103 obviousness rejection.

Prior art, however, that only qualifies against a claimed invention under Section 102(e), but is subject to an obligation of assignment to the same party, is excluded from Section 103 rejections. Therefore, Applicants need not identify in any greater detail how the claimed structure of the present invention further defines over these two references, because these two references are excluded as prior art in an obviousness rejection according to Section 103(c).

For all of the foregoing reasons, Applicants submit that this Application, including claims 1-12, is in condition for allowance, which is respectfully requested. The Examiner is invited to contact the undersigned attorney if an interview would help expedite prosecution.

Respectfully submitted,

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